



Office of Health Policy and Program Support

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June 18, 2008

AGENDA ITEM 5c (Revised)

TO: MEMBERS OF THE HEALTH BENEFITS COMMITTEE

- I. SUBJECT:** State Annuitant Contribution Formula
- II. PROGRAM:** Health Benefits
- III. RECOMMENDATION:** Information Only
- IV. ANALYSIS:**

Government Code Section 22871 specifies the state employer contribution for health benefits shall be calculated based on a weighted average of the premiums of the four largest health benefit plans, measured by enrollments of state active and retired members in Basic plans. Staff calculates contribution rates for each premium tier (one-party, two-party, and family) based on the weighted average of those four health plans. For 2008, Kaiser Permanente, Blue Shield Access+ HMO, PERS Choice, and Blue Shield NetValue HMO are our four largest health plans.

At the June 18, 2008 Health Benefits Committee (HBC) meeting, staff will present the State Annuitant Contribution amounts, based on proposed 2009 premium rates.

V. STRATEGIC PLAN:

This item is not a specific product of the strategic plan, but is part of the regular workload of the Health Benefits Branch.

VII. RESULTS/COSTS:

There are no direct costs associated with this change for the CalPERS Health Benefits Program.

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Attachment